

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6948

BILL NUMBER: HB 1186

NOTE PREPARED: Jan 9, 2014

BILL AMENDED:

SUBJECT: Privacy of student records.

FIRST AUTHOR: Rep. Thompson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill prohibits an agency from releasing, selling, or otherwise transferring student information to the federal government or another entity unless all identifying information concerning students has been redacted or the General Assembly has enacted legislation expressly authorizing the release, sale, or transfer. It provides that a violation is a Class A misdemeanor (up to one year imprisonment and a \$1,000 fine).

Effective Date: July 1, 2014.

Explanation of State Expenditures: The impact would likely be minimal. The bill applies to all state agencies that collect, maintain, receive, or store student information. Student information is data collected, maintained, received, or stored by an agency in which an individual student or student's family is identified by name, by assigned identification number, or in any manner by which the identity of an individual student may be ascertained.

The bill permits a student's record to be transferred by a school or school corporation to a school, postsecondary educational institution, or employer if the student (at least 18 years old or emancipated) or student's parent grants written permission.

A violation is Class A misdemeanor punishable by up to one year imprisonment and a \$5,000 fine.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would

likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: State Board of Education; Department of Education; All other applicable state agencies.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: David Lusan, 317-232-9592.